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LAW OFFICES

KOTEEN & NAFTALIN, L.L.P.

1150 CONNECTICUT AVENUE
WASHINGTON, D.C. 20036-4104

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

TELEPHONE
(202) 467-5700
TELECOPY
(202) 467-5915

BERNARD KOTEEN*
ALAN Y. NAFTALIN
ARTHUR B. GOODKIND
GEORGE Y. WHEELER
MARGOT SMILEY HUMPHREY
PETER M. CONNOLLY
CHARLES R. NAFTALIN
GREGORY C. STAPLE
R. EDWARD PRICE
JULIE A. BARRIE

* SENIOR COUNSEL

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February 3, 1999

Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S. W.
TW-A325
Washington, DC 20554

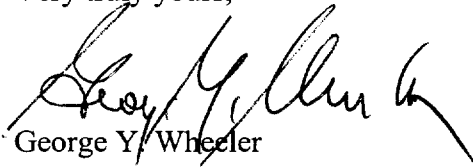
Re: In the Matter of Amendment of Section 2.106 of the Commission's
Rules to Allocate Spectrum at 2 GHz for Use by the Mobile-Satellite
Service - ET Docket No. 95-18

Dear Ms. Salas:

Transmitted herewith, on behalf of Telephone and Data Systems, Inc., are an original and four copies of its comments in the above-referenced matter.

In the event there are any comments or questions concerning this matter, please direct them to the undersigned.

Very truly yours,



George Y. Wheeler

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

In the Matter of)
)
Amendment of Section 2.106 of the) ET Docket No. 95-18
Commission's Rules to Allocate)
Spectrum at 2 GHZ for Use by the)
Mobile-Satellite Service)

To: The Commission

COMMENTS OF
TELEPHONE AND DATA SYSTEMS, INC.

Telephone and Data Systems, Inc., on behalf of itself and its subsidiaries, Aerial Communications, Inc. ("Aerial") and United States Cellular Corporation ("USCC") (collectively "TDS"), by its attorneys, submits its comments in response to the Commission's Memorandum Opinion and Order and Third Notice of Proposed Rule Making and Order ("Third NPRM"), released November 25, 1998 in the above-captioned proceeding.

Introduction

TDS's subsidiaries, Aerial¹ and USCC,² which have extensive Personal Communications Service ("PCS") and cellular operations, respectively, have strongly supported the development and implementation of emerging technologies which promise to improve and expand the quality, scope

¹ Aerial provides PCS service in the Minneapolis, Tampa-St. Petersburg-Orlando, Houston, Pittsburgh, Kansas City and Columbus Major Trading Areas ("MTAs"). These MTA markets have a combined population of approximately 27.6 million.

² USCC provides cellular telephone service to approximately two million customers through 136 majority-owned and managed cellular systems serving approximately 17% of the geography and approximately 9% of the population of the United States (approximately 24.1 million).

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and cost effectiveness of their service offerings in numerous proceedings. TDS applauds the Commission and supports its continuing efforts to provide expanded spectrum resources for fixed and mobile terrestrial services in the 2110-2150 MHZ band.

TDS strongly supports the use of the 2110-2150 MHZ band for future “third generation” mobile wireless telecommunications systems, referred to as International Mobile Telecommunications-2000 (“IMT-2000”). The Commission should designate the 2110-2150 MHZ band exclusively for broadband PCS services to assure that initial expectations for IMT-2000 systems to offer greatly enhanced data and bandwidth capabilities and to make possible service offerings on a global basis will be fulfilled.

Discussion

1. The 2110-2150 MHZ Band Should be Allocated to Support the Transition of CMRS Providers to Third Generation Wireless Systems.

TDS opposes any reallocation of the 2110-2150 MHZ band, as the Commission’s Third NPRM describes, “...for a number of services.” (Para. 30). The record which the Commission has already gathered from manufacturers, providers, and many others in response to its Third Generation Wireless Public Notice³ confirms that far more than the 40 MHZ involved here will be required for IMT-2000 systems. The possible allocation for other services such as analog or digital Broadcast Auxiliary Services would needlessly compromise and create technical uncertainties regarding the spectrum efficient operations of IMT-2000 systems. It also threatens to diminish the number of CMRS providers who potentially could be licensed for IMT-2000 systems in any single geographic

³ Public Notice, Commission Staff Seek Comment on Spectrum Issues Related to Third Generation Wireless/IMT-2000 (DA 98-1703) released August 26, 1998.

market. This is particularly significant because, as the Commission has confirmed in recent reports to Congress, many wireless markets now are served by numerous CMRS competitors, many, if not all, of whom will have strong incentives to transition to IMT-2000 technologies. The Commission should not create unnecessary regulatory barriers which could preclude some of these CMRS competitors from obtaining spectrum to transition to IMT-2000 systems.

2. The TIA Proposal to Allocate the 2110-2150 MHZ Band for Broadband Uses Should be Adopted.

TDS strongly supports the proposal of the Wireless Communications Division of the Telecommunications Industry Association ("TIA") for the Commission to designate the 2110-2150 MHZ band for broadband PCS services.⁴ TDS submits that the points made by TIA in support of an allocation "limited to broadband PCS use" are clearly germane to the allocation issues in which the Commission has requested comment. The Commission has ample justification as demonstrated in the TIA Petition and as supplemented by the record in response to the Commission's Third Generation Wireless Public Notice, to adopt this aspect of the TIA proposals.⁵

⁴ TIA, Petition for Rulemaking dated October 20, 1998, p. 5.

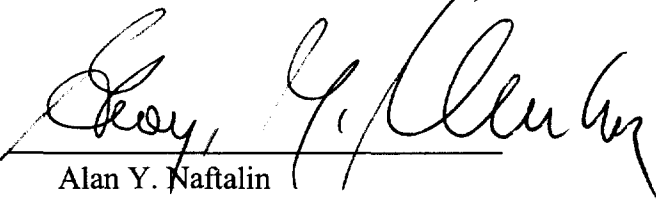
⁵ TDS agrees with the Commission that licensing, auction and other service rule proposals in the TIA Petition should be considered separately in a subsequent stage of this proceeding. Also, the Commission has pending proceedings to consider how its spectrum cap policies might be changed to accommodate third generation spectrum requirements. See its Notice of Proposed Rulemaking (FCC 98-308) in WT Docket No. 98-205, released December 10, 1998. The TIA proposals regarding spectrum cap issues relating to licensing in the 2110-2150 MHZ band should be addressed in these proceedings.

Conclusion

TDS strongly supports the reallocation of the 2110-2150 MHZ band for broadband PCS uses. The Commission has ample justification to adopt such a reallocation as a broad policy initiative for Third Generation Wireless/IMT-2000 implementation. It is not necessary, or even desirable to decide the related licensing, technical, auction and service issues at this time. The Congressional mandate⁶ to reassign this band by auction by September 30, 2002 provides the Commission flexibility to address these issues when more is known about standardization, system requirements, technological advances, and other significant parameters of Third Generation/Wireless/IMT-2000 systems.

Respectfully submitted,

TELEPHONE AND DATA SYSTEMS, INC.

By 
Alan Y. Naftalin
George Y. Wheeler
Peter M. Connolly

KOTEEN & NAFTALIN, L.L.P.
1150 Connecticut Avenue, N.W. Suite 1000
Washington, DC 20036
(202) 467-5700

Its Attorneys

February 3, 1999

⁶ See Balanced Budget Act of 1997, Pub.L.No. 105-33, 111 Stat. 251 § 3002(c)(1997).